

CITY OF MORGAN HILL
JOINT CITY COUNCIL AND
SPECIAL REDEVELOPMENT AGENCY MEETING
MINUTES - JANUARY 17, 2001

CALL TO ORDER

Mayor/Chairman Kennedy called the special meeting to order at 7:02 p.m.

ROLL CALL ATTENDANCE

Present: Council/Agency Members Carr, Sellers, Tate and Mayor/Chairman Kennedy
Absent: Council/Agency Member Chang

DECLARATION OF POSTING OF AGENDA

City Clerk/Agency Secretary Torrez certified that the meeting's agenda was duly noticed and posted in accordance with Government Code 54954.2.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

At the invitation of Mayor/Chairman Kennedy, City Clerk Torrez led the Pledge of Allegiance.

CITY COUNCIL REPORT

Mayor Pro Tempore Sellers reported the following: 1) A housing symposium is scheduled to take place on February 9, 2001 from 9:00 a.m. to 12:00 p.m. This is a significant event as it will bring in broad perspectives on housing as housing and transportation are both significant issues of concern to the Silicon Valley Region and affects Morgan Hill. He invited the City Council and the public to attend. 2) The initial steps for the development of a Morgan Hill Community Foundation have taken place and that it is supported by the City Council. He said that the Foundation will be successful if resources from private individuals and the businesses in the community are tapped. 3) He felt that the City needs to maintain its vigilance on the Valley Transportation Authority relating to transportation issues as the city is a small community. He expressed concern that City's needs will be overlooked.

CITY MANAGER'S REPORT

City Manager Tewes stated that in the previous week, the city experienced a series of stage 3 episodes. He noted that today was the first time in Morgan Hill and in other communities in the county that rolling brown outs were experienced. He thanked the community for its patience and cooperation, noting that there were several traffic signals on Monterey that were out and that the city's crew responded quickly with the installation of stop signs. He indicated that he directed all city departments to take steps to conserve at least 5% and to present ideas on how the City can conserve more.

Mayor Kennedy stated that he spoke with two of the City's representative from PG&E today: Drina Collins and Don Hall. As a result of this conversation, a letter was sent to the governor supporting his efforts and that of the state legislature fix the problem of the supply of gas and electrical power. He indicated that an assembly bill sponsored by Assemblyman Keely addresses this point. He encouraged everyone to continue to conserve on both electricity and gas.

CITY ATTORNEY'S REPORT

City Attorney Leichter reported that a monthly litigation summary has been distributed, noting that the City is down five cases from six. Regarding the first case, The City of San Jose v. Morgan Hill Unified School District and the City of Morgan Hill, she indicated that the City's motion for change in venue was granted and that the case would be heard in Sacramento County instead of Santa Clara County because of the potential conflicts of interest between two governmental agencies. Case #4 the case has been settled and the documents have been finalized. The only issue is the amount of interest due on the settlement. Case #5, the City is awaiting the court order of dismissal on this case.

PUBLIC COMMENT

Mayor/Chairman Kennedy opened the floor to comments for items not appearing on the agenda.

Randy Hollis, 17427 Calle del Sol, indicated that he lives in the Sunrise Meadows development located between Calle Mazatan and Butterfield and that his home backs onto Butterfield Boulevard where the new temporary skate facility is located. He stated that he heard that a new holding facility is to be located in the vicinity. He inquired as to the plans for the safety and protection of area residents with criminals being transported in and out of the facility?

Mayor Kennedy noted that the City Council will be discussing the court house facility under agenda item 8 and that it would be the appropriate time to raise questions regarding a holding facility. He also noted that the City Council will be reviewing the Parks and Recreation Master Plan which includes a permanent skate park facility. He requested that Mr. Hollis focus on the existing facility and the problems occurring.

Mr. Hollis informed the City Council that he has heard that there are problems with the younger children being bullied by the older kids using the park. He did not believe that enough supervision was being provided. He asked if there was a requirement that you be a Morgan Hill resident in order to use the park? He noted that children are coming in from all areas to use the skate park facility and felt that the facility should be used by Morgan Hill residents only.

Mayor Kennedy indicated that there is no requirement that you be a Morgan Hill resident to use the facility.

No other comments were offered.

City Council Action

CONSENT CALENDAR:

Mayor Kennedy pulled items 2 and 3 from the consent calendar.

Action: *On a motion by Council Member Tate and seconded by Mayor Pro Tempore Sellers, the City Council, on a 4-0 vote with Council Member Chang absent, **approved** Consent Calendar Items 1 and 4-7 as follows:*

1. **DECEMBER 2000 FINANCE AND INVESTMENT REPORT**

Action: ***Accepted and filed** report.*

4. **APPROVE FUNDING FOR THE REPLACEMENT OF INCANDESCENT TRAFFIC SIGNAL LIGHTS WITH LIGHT EMITTING DIODE TRAFFIC SIGNAL LIGHTS AND ADOPTION OF RESOLUTION AUTHORIZING THE CITY TO APPLY FOR GRANT FUNDING - Resolution No. 5449**

Action: *1) **Approved** Funding in the Amount of \$68,965 for the Replacement of Incandescent Traffic Signal Lights with Light Emitting Diode (LED) Traffic Signal Lights from Our Unappropriated Street Fund Balance, and 2) **Adopted** Resolution No. 5449 Executing an Agreement with the California Energy Commission for the Application and Execution of a Grant That Will Reimburse the City for a Portion of the Cost of the LED Traffic Signal Lights.*

5. **SANTA CLARA COUNTY HOUSING AND COMMUNITY DEVELOPMENT COUNCIL COMMITTEE**

Action: ***Appointed** Arlene Greenberg to the Housing and Community Development Council Committee as the Citizen Representative.*

6. **APPOINTMENT TO MOBILE HOME RENT COMMISSION**

Action: *1) **Appointed** Gloria Subocz to the Mobile Home Rent Commission for a Term Expiring June 1, 2002, and 2) **Directed** Staff to Continue Soliciting Applicants to Fill the Representative/Advocate of the Mobile Home Park Owners' Vacancy.*

7. **SUBDIVISION APPLICATION SD-00-13: E. DUNNE TROVARE**

Action: ***Took No Action**, Thereby Concurring with the Planning Commission's Decision Regarding Approval of the Subdivision Map.*

2. **JULY FOURTH FIREWORKS**

Chief of Police Schwab presented the staff report and indicated that it is being recommended that the San Martin property be used for one more year and that the time between now and next year be used to solidify plans to relocate the fireworks event in or around the soccer complex. It is the City's hope to help IDA make the Fourth of July event and fireworks a safe and enjoyable one, noting that the recommendation to locate the event in San Martin was due to safety concerns. He indicated that safety is a concern in trying to develop a site for this year and next year.

Action: *On a motion by Council Member Carr and seconded by Council Member Tate, the City Council, on a 4-0 vote with Council Member Chang absent, Accepted the Report Regarding the Location of July Fourth Fireworks for 2001.*

3. REPORT ON INTERIM SKATE PARK

Assistant Director of Public Works Struve indicated that the skate park has been a tremendous success.

Mayor Pro Tempore Sellers requested that staff meet with Mr. Hollis to address his concerns. He noted that the report points out that the owner of South Valley Bikes has taken on a volunteer position to help open/close the park. This is a significant role and felt that his efforts should be commended. He stated that this is the type of partnership that he is seeking as other projects come on line.

Council Member Carr noted that the report states that there is an additional cost of \$25,000 to install a temporary asphalt sidewalk along the west side of Butterfield Boulevard from Main Avenue to the skate park. He asked if there is a possibility of installing a similar sidewalk from the skate park south to Diana or Dunne Avenues? He stated that he has observed children coming to the park from this area and that they are forced to skate on the road or walk along the dirt on the side of the road to access the skate park site.

Mr. Struve responded that funds have not been allocated to install an asphalt sidewalk from the skate park south to Dunne Avenue but that funding could be discussed.

Council Member Tate stated that he was impressed by the young man, dressed in a Santa Clause outfit, who made a plea to the youth to help the younger children. It is this kind of spirit that needs to be reinforced to make sure that the young children attain full privileges of the park. He encouraged the entire community to keep up this spirit.

Mayor Kennedy stated that it was his understanding that to a certain extent, the youth are working out the problems amongst themselves. He felt that self policing and parental involvement would help the situation. Regarding Council Member Carr's recommendation for the installation of an asphalt sidewalk south of the skate park, he agreed that the City needs to agendize, or act as part of this item, funding to extend the asphalt to make the area safe for youth.

City Manager Tewes stated that the City Council could budget \$25,000 from the Street Fund for the installation of a temporary asphalt sidewalk this evening, should it be deemed appropriate to do so.

Action: *Council Member Carr made a motion, seconded by Mayor Kennedy, to fund \$25,000 for the installation of temporary asphalt (safety improvement issue). The motion carried 4-0 with Council Member Chang absent.*

Mayor Kennedy noted that this is an interim skate park facility and that the City is going through a learning process, experience bumps along the way. He stated that the City will do what it can to

improve the facility and that when the new facility is built, it will be done taking the knowledge learned from the interim facility.

Action: **Informational Report Only.**

City Council and Redevelopment Action

PUBLIC HEARINGS:

8. SOUTH COUNTY JUSTICE CENTER AGREEMENT - *Resolution Nos. 5450 & MHRA-229*

Director of Business Assistance and Housing Services Toy presented the staff report. He informed the City Council that representatives from Santa Clara County were present, including Board of Supervisor Dan Gage, to answer any questions which the City Council may have. Also, special counsel Bill Strauze was present to answer questions on the development agreement.

Mayor/Chairman Kennedy stated that he and Council/Agency Member Chang met with Supervisor Gage over a year ago to discuss a cooperative effort with the County with respect to an expansion of the Redevelopment Agency. From these discussions, thought was given to building a court house facility in Morgan Hill. He stated that he has always had the belief that this type of facility, near the downtown, would be beneficial, noting that in the late 80s, there was a proposal to build a county court house in Morgan Hill on the site of the former Morgan Hill Elementary School. However, the City and the County were not able to come to an agreement to move to this location. He said that when the opportunity presented itself he, Council Member Chang and a subcommittee were supportive of the proposal as it provides a lot of benefit to the community (e.g., economic benefits, easy access to the court facility). He noted that often, Morgan Hill residents go to San Jose or San Martin for court services. He felt that this is a project that would be jointly beneficial to Morgan Hill and the County.

Board of Supervisor Don Gage concurred that this would be a great partnership between the County and the City and that it would keep services in the south end of the County so that individuals would not have to travel to San Jose. He felt that it would be good for Morgan Hill's economy and felt that this would be a positive venture. He indicated that three individuals from the county were present this evening: Kevin Carruth, Director of General Services; Cliff Jarvis, lead property negotiator; and Alicia Flynn, Court house project manager, to answer technical questions.

Mayor Pro Tempore/Agency Member Sellers stated that one of the possibilities to be considered is co locating facilities. He said that the existing police facility is becoming inadequate and that the City is looking for options. He felt that it would make sense to co locate facilities such as the jail facility and the holding cells to serve the needs of the court house and the City's police departments.

Board of Supervisor Gage clarified that the County would support the co location of facilities but that there is a problem on how it would be funded. He stated that the County is willing to work with

the City. He felt that Morgan Hill would be getting a quality designed court house building and that it would be advantageous to the City.

Mayor Pro Tempore/Agency Member Sellers felt that funds could be saved by both entities if facilities could be co located.

Mayor/Chairman Kennedy indicated that concerns have been expressed regarding holding cells to be a part of the court house. He requested that a representative from the County address this issue.

Mr. Carruth clarified that the court holding facility will be a day operation only. Prisoners will be bused in the morning and will be returned to the main jail in the evening. He noted that attachment B step 9 contains a typo. He requested that it be corrected to read: "County awards construction grant for courthouse improvements within two years following step 7 above or within 18 months of step 8, whichever occurs last."

Mayor Pro Tempore/Agency Member Sellers reiterated that a site has not been chosen to date. Once a site is considered, he recommended that concerns for the site be raised at that time.

Mayor/Chairman Kennedy opened the public hearing.

Robert Benich, resident of Morgan Hill, did not believe that it would be acceptable to bail out the County for their poorly constructed courthouse in San Martin. He felt that it would be appropriate to use RDA funds for a combined new courthouse for the benefit of the residents of the city. Whatever site is considered, he requested that the Council consider such things as public safety, traffic flow, parking problems, public transportation and accessibility. He felt that the courthouse facility should be located near Caltrain, bus routes and/or near the freeway. He did not consider the San Martin courthouse a beautiful building. Should a courthouse be constructed, he recommended that the building be designed that has an aesthetic appeal. He said that an agreement would need to be entered into with the county for ground maintenance.

Michelle Robles, Morgan Hill resident, stated that it was her understanding that a primary site for the courthouse was Diana and Butterfield. She expressed concern with security, noting that there are three schools in the area 1.5 miles or less away (El Toro, PA Walsh and Britton). She stated that Diana and Butterfield is a residential area, noting that the Community Center will be constructed behind the courthouse facility. She did not believe that commuters would want to see a jail house nor allow their children to walk by the jail house. Also, of concern were individuals loitering in the area.

Mayor/Chairman Kennedy clarified that this would be a courthouse facility, not a jail house.

Nancy Domnauer, 17547 Calle del Sol, opposed the construction of a courthouse justice center in downtown Morgan Hill. She did not want to see a jail holding facility with criminals loitering the downtown area while they are awaiting trial. She felt that the San Martin facility should be raised and a new facility built as it is centrally located to south county. This proposal is taking into consideration criminals and the police department and not the citizens and children of Morgan Hill.

She requested City Council denial of the courthouse facility.

Russ Keller, 17507 Calle del Sol, a Diana/Butterfield area resident, stated that he has heard that this is also to be a sheriff's substation and a possible police station. He stated that he has visited the existing police facility, agreed that the facility is inadequate and that he would like to see this addressed. Regarding a possible sheriff substation and the police department being located near Caltrain in the Diana and Butterfield area, he noted that these are 24-hour a day operations. He expressed concern with noise, traffic flow and transporting criminals to the courthouse in an area where children play. He felt that San Martin is located in the middle of Morgan Hill and Gilroy and that transportation and Caltrans are available to the San Martin site. He recommended that RDA funds be spent to meet Morgan Hill's needs and not the county's needs.

Randy Hollis, 17427 Calle del Sol, asked when with the City Council would be making a site selection decision as he understands that there are several proposed sites being considered, one being Butterfield/Diana. He stated that another issue not addressed under the skate park discussion was the issue of non Morgan Hill residents using the park. He asked if there was a plan to keep the park's use for Morgan Hill residents.

Mayor/Chairman Kennedy indicated that staff will be addressing Mr. Hollis' questions.

Jean Vandagriff, 17587 Calle del Sol, felt that Morgan Hill is a beautiful and unique town and that it would be a mistake if the downtown was not beautified. She recommended that the city expand the recreation center as a youth center and a large park are needed for the youth of the community. She did not support the construction of an ugly cement building with criminals being bused into the downtown area. She noted that a flea market is also located in the vicinity and felt that a park extension would be appropriate and would maintain Morgan Hill's uniqueness. She recommended that the courthouse facility be located by the freeway and not the downtown area.

Peter Burkat, resident of the community, local attorney and superior court judge pro tempore, stated his support of the courthouse. He said that security at the courthouse is of utmost concern to the Sheriff's department. He had no concern with security based on the presence of sheriff deputies nor with anyone escaping or causing problems. It must be kept in mind that the courthouse is not just for criminal trials, noting that many trials are civil matters. Approval of a courthouse facility in Morgan Hill will give the legal community a stronger say on what goes on and would allow filings to occur in Morgan Hill. A courthouse facility in Morgan Hill will give the attorneys the legitimacy that they area looking for and would be a strong asset.

No further input being offered, the public hearing was closed.

City Manager/Executive Director Tewes stated that the contract provides for a period of time in which the site must be identified. He said that it is hoped that this issue would be brought to conclusion in approximately 90 days. As the city narrows down the sites, the City needs to work with the neighbors so that they understand the context of the project and the protections that would be built in. He felt that a courthouse is an important anchor to the downtown and the business community. Regarding the questions raised about maintenance and design, he said that the

agreement provides for maintenance at a high level by the county and provides for design guidelines that fit Morgan Hill. He noted that this is not an agreement about a new police station. He clarified that RDA monies cannot be used for a police station. However, there is an opportunity to look at whether the courthouse and police station can be co located. He noted that the existing police station is located in a residential neighborhood and stated that the City is proud that it is a good neighbor and that it would continue to be one no matter where the police station is located. He assured the community that the concerns raised were also of concern to the city and the county. He felt that the city and county have provided protections. As the city goes through the site selection process, he indicated that the City will be working with the affected neighborhoods.

Council/Agency Member Tate noted that it was stated that there was a potential for a Sheriff's substation and indicated that he has not heard of this use. He requested that the County comment on this use.

Supervisor Gage stated that there is no plan to relocate the sheriff's substation to this facility. He stated that the County has the charge of providing facilities for the court system. The County is building the facilities for the people of Santa Clara County.

Mayor/Chairman Kennedy felt that it would be helpful to show renderings of the proposed court facility.

City Manager/Executive Director Tewes did not believe that the county has conceptual renderings to share with the City Council this evening.

Mr. Carruth indicated that the proposed courthouse would consist of six court rooms, probation department, district attorney's office, public defender's office, court support services and parking, including a holding facility for the purposes of court activities/administration only. Essentially, the facility would include all the functions that are at the south county court facility with the exception of the sheriff's department.

Mayor Pro Tempore/Agency Member Sellers requested clarification of what the probation department consists of.

City Manager/Executive Director Tewes indicated that the ancillary or satellite services of the probation department often attached to courts are allowed uses in a courthouse. Prohibited would be a separate probation department headquarters where clients and individuals would be seen on a regularly scheduled basis.

No further comments were offered.

Council/Agency Member Carr indicated that it is being recommended that Exhibit A of the agreement be approved this evening, noting that it is site specific. He requested that staff address this issue.

City Attorney Leichter stated that the guidelines contained in the agreement are only a representation

and that what the Council is being asked to approve this evening is the actual text of the agreement. The guidelines are representative in nature and would be subject to renegotiation, depending upon the site that is ultimately selected.

Bill Strauze, special counsel, read a sentence from Section 17 of the agreement relating to site selection and the design standards. He noted that the City and the County are to meet immediately and resolve any inconsistencies, once identified. He said that the design guidelines were developed with a downtown site in mind, but that the concept in the design standards would carry forward. He stated that the configuration of the facility could change, depending upon the location of the site. He said that development of the design standards was a cooperative effort and that it is expected to continue to be so.

Council/Agency Member Carr stated that as a member of the General Plan Update Task Force, he noticed that there is an element of the Downtown Plan that needs to be updated. He was not sure how a county courthouse would affect the downtown and that he was not sure he was ready to move forward with this idea without the benefit of hearing from the broader perspective on how the courthouse facility would affect the downtown.

Mayor Pro Tempore/Agency Member Sellers felt that the facility has to do two things: 1) address concerns and minimize impacts to area residents; and 2) it has to be sited in a location that enhances its value to the community. He felt that this proposal makes sense as the City is leveraging funds to bring in a significant facility that would not be located here otherwise. He felt that the goal should be to select a site that would maximize the value to the community and eliminate any impacts to the area. To maximize the value to the community, the facility would need to be located adjacent to the downtown area. It was his understanding that the downtown plan is proposed to be updated later this year. The city will be moving forward with the review of possible sites and that he expects that the sites would be narrowed later this year. He felt that the city would have every opportunity to make sure that the downtown plan, as it is developed, incorporates the courthouse facility site. He felt that the City needs to minimize impacts to residents and to make sure that the community, as a whole, is made aware of the sites being considered for the courthouse facility so that concerns are addressed at that time. He felt that it would be a significant benefit to the community to have the facility in the downtown area. Therefore, he felt that it made sense to move forward this evening.

Council/Agency Member Tate stated that he was not comfortable with the fact that a site has not been selected. He stated that he did not give consideration to potential sites being a direct part of the downtown but adjacent to the downtown area. He felt that the court house facility needs to move forward and the site finalized soon.

1. Mayor/Chairman Kennedy stated that he visited the court facilities in downtown San Jose to investigate whether the concerns raised by the residents are real ones. He found buildings that were elegantly designed. He noted that individuals who frequent the facilities were attorneys, judges, jurors and staff who work at the facility. The primary cases that are handled are civil cases as opposed to criminal cases. Therefore, he did not believe that these cases bring in the type of criminal the residents are concerned about into the community. He was confident that this facility would work in the community and be an asset rather than

a detriment. He stated that he understood the concerns of the residents. He clarified that a site has not been selected and that the city will need to look at locations carefully and make sure that it involves the community in the process in order to address concerns raised. He clarified that the decision to be made this evening does not determine the site but makes an agreement with the county that the city would proceed with a facility with one of the next steps to be taken is finding a location. Therefore, he would be supporting the agreement.

Actions:

City Council Action:

*Council Member Tate made a motion, seconded by Mayor Pro Tempore Sellers, to **Adopt** Resolution No. 5450, Authorizing Payment by the Morgan Hill Redevelopment Agency for All of the Value of the Land for and Part of the Cost of the Installation and Construction of County Courthouse Improvements, amending Exhibit B.*

Redevelopment Agency Action:

*Agency Member Tate made a motion, seconded by Agency Member Sellers to **Adopt** Resolution No. MHRA-229, Authorizing Payment by the Agency for All of the Value of the Land for and Part of the Cost of the Installation and Construction of County Courthouse Improvements, amending Exhibit B.*

*Agency Member Tate made a motion, seconded by Agency Member Sellers to **Direct** the City Manager/Executive Director to Implement the Resolutions Including the Execution of Legal Documents and Appropriation of \$5.2 Million from the Agency's Non-housing Fund Balance.*

In response to Council/Agency Member Carr's question, City Manager Tewes stated that under the agreement, it would be the responsibility of the Agency to identify a number of sites and review them with the County. He felt that it would be appropriate to have neighborhood meetings once the sites have been narrowed down to one or two sites.

Council/Agency Member Carr noted that this is the first time that there is a public hearing on this issue. He expressed concern that the community does not know much about this proposal other than the one article in the newspaper. Therefore, the community is not aware of what is being discussed regarding a south county justice system. He noted that the facility would never become a jail. He felt that the City needs to do better job of making sure that residents understand this. He noted that the action before the City Council/Redevelopment Agency is the approval of the expenditure of \$7 million of RDA funds on a project that was not a part of the advisory measure approved by the citizens. He noted that the agreement clearly states that the county does not desire to construct a joint police facility. He asked if there was a way to change the wording in the agreement to make it an easier to implement a police facility (co location)?

City Attorney/Agency Counsel Leichter said that it would be possible for the City Council/Agency Commission to make changes to the agreement. However, she cautioned that this agreement has been extensively negotiated with County staff. If modified, the modifications could be sent to the

County Board of Supervisors and that she was not sure how the amendments would be received by county staff.

City Manager/Executive Director Tewes stated that the county has agreed to work with the city in good faith to try to identify whether it makes sense to co locate facilities. He felt that there was sufficient latitude in the agreement to allow the city to work with the county.

Council/Agency Member Tate stated that economic development was approved as part of the initiative passed to expand the RDA and that he always looked at this as an economic development expenditure.

Mayor Pro Tempore/Agency Member Sellers felt that it made a lot of sense to co locate a police facility but felt that it would be beneficial to the city to have the existing language. When the city looks at land acquisition, this will be the city's first opportunity to advise that it will be acquiring more land for the purpose of locating a police station. He was encouraged by Supervisor Gage's comments because it shows that the County wants to work with the city and do what is best for the entire community.

Vote: *The above listed motions carried 4-0 with Council/Agency Member Chang absent.*

City Council Action

PUBLIC HEARINGS:

9. ZONING AMENDMENT APPLICATION, ZA-00-06: COCHRANE - LUPINE - *Ordinance No. 1501, New Series*

Director of Community Development Bischoff presented the staff report. He clarified the density of the Cochrane Road Assessment District and stated that the R-1-12,000 zoning district is consistent with the General Plan update.

Council Member Carr stated that in reviewing the Planning Commission's discussions, there was extensive discussion about a school site. He said that at the General Plan Update meeting it was stated that the Cochrane Road area is an area that the School District has indicated that a school site is greatly needed. He asked if there were any incentives that can be added to the zoning district to help identify a school site? Mr. Bischoff responded that he was not aware of any incentives that can be offered as part of the rezoning. However, Measure P offers a lot of incentives to try to locate a school site in close proximity to a Measure P project site. He indicated that there have been discussions between the City, School District and the property owner of a larger parcel to identify a portion of the parcel to be utilized as a neighborhood park and school.

Mayor Kennedy opened the public hearing. Dick Oliver, representing the property owner of the 46-acre parcel, informed the City Council that he has been negotiating with the Borello Family and the School District to locate a school site in the immediate area. Unfortunately, a stumbling block exists with the State due to a high pressured 34-inch gas line along Peet Road. The State has indicated,

in the past, that they do not want to see a school site less than 1,500 feet from a gas line. This would result in moving the school site away from Peet Road. He is trying hard to accommodate a school site within a quarter mile of the site and stated that he is exploring creative methods to assist the School District in building a facility given the fact that the School District has limited funds. He stated that the damn has been considered a stumbling block but less of a stumbling block versus the gas line. No further input being offered, the public hearing was closed.

Action: *On a motion by Council Member Tate and seconded by Mayor Pro Tempore Sellers, the City Council, on a 4-0 vote with Council Member Chang absent, **Approved** the Mitigated Negative Declaration.*

Council Member Carr encouraged staff to explore, with Mr. Oliver and the School District, unique ways to help find ways to fund a school in the area as the School District does not have funds to build a school. He stated that he would even consider increasing the density depending on what Mr. Oliver offers to the School District. He requested that staff be involved in discussions and return to the City Council with suggestions on what the City can do to help move the process along. Council Member Tate and Mayor Kennedy concurred with Council Member Carr's suggestions.

Action: *On a motion by Mayor Pro Tempore Sellers and seconded by Council Member Tate, the City Council, on a 4-0 vote with Council Member Chang abstaining, **Waived** the Reading in Full of Ordinance No. 1501, New Series, Approving the Prezoning.*

Action: *On a motion by Mayor Pro Tempore Sellers and seconded by Council Member Tate, the City Council, **Introduced** Ordinance No. 1501, New Series by Title Only as follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AMENDING ORDINANCE NO. 559, NEW SERIES, BY PREZONING 55 ACRES LOCATED AT THE SOUTHEAST CORNER OF COCHRANE ROAD AND PEET ROAD FROM COUNTY A-20 TO CITY R-1 (12,000). (APNs 728-34-003 & 004) by the following roll call vote: AYES: Carr, Kennedy, Sellers, Tate; NOES: None; ABSTAIN: None; ABSENT: Chang.*

Mr. Bischoff informed the City Council that staff has been working with Mr. Oliver and the School District and will continue to do so.

**10. ZONING AMENDMENT AND DEVELOPMENT AGREEMENT APPLICATIONS:
ZA-00-11 & DA-00-07: E. DUNNE - TROVARE - Ordinance Nos. 1502 and 1503, New Series**

Director of Community Development Bischoff presented the staff report. Mayor Kennedy opened the public hearing. Wayne O'Connell, representing the Trovare project, stated that he is proud of the project, featuring a large 3 acre open space park and provides for the opening of a looping street on the south side of the property to the San Pedro pond, providing public access to view the open space. No further input being offered, the public hearing was closed.

Action: *On a motion by Council Member Tate and seconded by Council Member Carr, the*

*City Council, on a 4-0 vote with Council Member Chang absent, **Approved** the Mitigated Negative Declaration.*

Action: *On a motion by Council Member Tate and seconded by Mayor Pro Tempore Sellers, the City Council, on a 4-0 vote with Council Member Chang abstaining, **Waived** the Reading in Full of Ordinance No. 1502, New Series, of the Residential Planned Development (RPD).*

Action: *On a motion by Council Member Tate and seconded by Mayor Pro Tempore Sellers, the City Council, **Introduced** Ordinance No. 1502, New Series, by Title Only as follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING A ZONING AMENDMENT TO ESTABLISH A PRECISE DEVELOPMENT PLAN FOR A 58-LOT SINGLE-FAMILY HOUSING PROJECT ON A 20-ACRE SITE LOCATED ON THE SOUTH SIDE OF EAST DUNNE AVENUE, ADJACENT TO THE EAST SIDE OF THE CHURCH LOCATED AT 1790 EAST DUNNE AVENUE. (APNs 817-19-009 & 049) by the following roll call vote: AYES: Carr, Kennedy, Sellers, Tate; NOES: None; ABSTAIN: None; ABSENT: Chang.*

Action: *On a motion by Council Member Tate and seconded by Mayor Pro Tempore Sellers, the City Council, on a 4-0 vote with Council Member Chang abstaining, **Waived** the Reading in Full of Ordinance No. 1503, New Series, of the Development Agreement.*

Action: *On a motion by Council Member Tate and seconded by Mayor Pro Tempore Sellers, the City Council, **Introduced** Ordinance No. 1503, New Series, by Title Only as follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING A DEVELOPMENT AGREEMENT FOR A 40-UNIT (2 EXISTING) SINGLE FAMILY HOUSING PROJECT ON A 20-ACRE SITE LOCATED ON THE SOUTH SIDE OF EAST DUNNE AVENUE, ADJACENT TO THE EAST SIDE OF THE CHURCH LOCATED AT 1790 EAST DUNNE AVENUE. (APNs 817-19-009 & 049) by the following roll call vote: AYES: Carr, Kennedy, Sellers, Tate; NOES: None; ABSTAIN: None; ABSENT: Chang.*

11. ORDINANCE ESTABLISHING AN ARCHITECTURAL AND SITE REVIEW BOARD (ARB) - Ordinance No. 1495, New Series

Director of Community Development Bischoff presented the staff report.

Council Member Tate asked when individuals can expect to have their plans reviewed by the ARB? Mr. Bischoff responded that staff will be advising applicants that any applications received after mid-March would be reviewed by the ARB.

Council Member Carr asked why this is not a function of staff review? Mr. Bischoff responded that it is currently a staff function. When the City Council looked at this some time ago, the Council expressed concern about the quality of the design of projects being seen in the community.

Proliferation of franchise architecture was one issue. It was felt that the quality in design was not as high as it could be. Staff evaluated a number of different alternatives for Council consideration such as placing more teeth into the Design Review Ordinance and the Architectural Review Handbook, establish a hearing examiner, hire a contract architect who would assist staff in the review of plans, and the reestablishment of the ARB.

Mayor Kennedy stated that the idea of staff hiring an architect was seriously considered. However, it was the general feeling of the Council that it would be better to have an ARB as there are a lot of good architects, designers, and contractors in the community who can be used to review projects. It was the consensus of the majority of the City Council that the ARB was the best way to proceed. He stated his support of the reestablishment of the ARB as past ARB members did good work and would do so again.

Mayor Pro Tempore Sellers raised the following concerns: 1) the role of the ARB and how it relates to the Commission; 2) doubling fees with the establishment of the ARB; and 3) the additional time added to the process.

Mr. Bischoff stated that current fees do not cover the City's cost. He indicated that it is assumed that two to three weeks would be added to the review process.

Mayor Pro Tempore Sellers recommended that a review be undertaken a year after the establishment of the ARB to see how the process is working. If the review exceeds three weeks, he felt that the ordinance needs to be re-evaluated.

Mayor Kennedy opened the public hearing. Dan Amend, Toeneskeotter and Breeding (TBI), informed the City Council that TBI developed the Cochrane Business Ranch and is currently developing the Madrone Business Park. While he is opposed to bringing quality projects to the community, he expressed concern with the increase in fees and the additional time added to the review process. No further comments being offered, the public hearing was closed.

Council Member Carr supported a one year review as he shared Mayor Pro Tempore Sellers' concerns with the increase in fees and the additional time added to the review process. He was not opposed in moving forward with the establishment of the ARB this evening as long as it is reviewed in a year's time.

Mayor Pro Tempore Sellers noted that staff has indicated that the City is reviewing its fees at this time to determine cost recovery. He would support moving forward this evening with the stipulation that this specific fee be adjusted upon completion of the cost recovery study so that the fees are based on quantitative data.

Action: *On a motion by Mayor Pro Tempore Sellers and seconded by Council Member Carr, the City Council, on a 4-0 vote with Council Member Chang abstaining, **Waived** the Reading in Full of Ordinance No. 1495, New Series, Approving the Municipal Code Amendments.*

Action: *On a motion by Mayor Pro Tempore Sellers and seconded by Council Member Carr, the City Council, **Introduced** Ordinance No. 1495, New Series by Title Only as follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AMENDING CHAPTER 2.12, TITLE 18, DIVISIONS I AND II, AND ADDING CHAPTER 2.56 OF THE MORGAN HILL MUNICIPAL CODE ESTABLISHING THE ARCHITECTURAL AND SITE REVIEW BOARD AND AMENDING SPECIFIC PROVISIONS PERTAINING TO DESIGN REVIEW by the following roll call vote: AYES: Carr, Kennedy, Sellers, Tate; NOES: None; ABSTAIN: None; ABSENT: Chang.*

Action: *On a motion by Mayor Pro Tempore Sellers and seconded by Council Member Carr, the City Council, on a 4-0 vote with Council Member Chang absent, **Authorized** the City Clerk to Advertise and Recruit Applicants for the ARB.*

OTHER BUSINESS:

12. PARKS, FACILITIES AND RECREATION PROGRAMMING AND BIKEWAYS MASTER PLANS

Deputy Director of Public Works/Operations Struve presented the staff report. He informed the City Council that Lee Steinmetz and various sub consultants were present this evening to address the City Council. He indicated that the first presentation would be on the Bike Plan. The consultant would then proceed to the Parks Plan, focusing on what has changed since the joint study session with the Parks & Recreation Commission held in December 2000. Also forwarded to the City Council this evening is the Parks & Recreation Commissioner's recommendations on some issues discussed and resolved last night. He distributed a hand out summarizing these issues.

Mr. Steinmetz introduced John Ciccarelli, sub consultant for the Bikeways Master Plan, and indicated that he would answer any questions which the City Council may have. He made a power point presentation on the Bikeways Master Plan and identified benefits to having a plan in place.

Mayor Kennedy noted that the Santa Clara Valley Transportation Authority (VTA) has funding under T21 projects. He asked how the city can get in line for these funds? Mr. Steinmetz responded that the city is in line for T21 funding such as for a portion of West Little Llagas Creek. He indicated that being identified as a tier 1 project results in funding being allocated. He said that the County is ready to disburse funds once a project is ready to go. He stated that having an approved Bikeway Master Plan will assist in attaining T21 funding.

Mr. Ciccarelli recommended that the City contact Celia Chung, VTA's full time bicycle coordinator, to assist the City with its application(s). He indicated that there are other annual funding cycles such as the TDA3. He informed the City Council that the City's Bicycle Advisory Committee and staff are aware of these funding sources.

Mayor Kennedy requested that staff focus on attaining funding.

Mayor Pro Tempore Sellers stated that the League of California Cities monitors legislation that affect communities. He noted one piece of legislation last year which requires installation of bikeways with roadway expansions. He wanted to make sure that there is continuity in bikeways both to the north and south of the City's boundaries.

Mr. Chicerkeli indicated that the "Good Roads for the 21st Century" bill was not signed by the governor. He stated that the initial concerns of the League of California Cities were addressed. He said that the bill proposed that, where it is reasonable and where there is transportation value, safe facilities be added such as in the case of rural road shoulders. The cycling community and Senator Sherf felt that these concerns had been addressed but that the governor did not sign the bill.

Mayor Pro Tempore Sellers recommended that the City work closely with the county to address these concerns as well. Mr. Chicerkeli stated that what passed last year was the "Safe Routes to School" bill which redirects some highway related funding into specific improvements of walking and cycling to school. He indicated that Caltrans is administrating these funds.

Council Member Carr stated that a similar presentation was made to the General Plan Task Force. A concern was raised that bicycle lanes would be used by children along Monterey and Hale, a widely used commute corridor. The concern being that you would have children riding on those lanes to school along with the traffic. He asked how school safety and safety for children were addressed in the plan?

Mr. Steinmetz stated that wherever possible, he has shown parallel routes to Monterey on side streets so that there is an alternate route to Monterey Road. He felt that it was important to have lanes on the Monterey and Santa Teresa corridors because these are heavy commute routes. However, it is realized that these are not routes that you want young children cycling, therefore, parallel routes are being shown. Also, there are east/west routes that can be developed as "bicycle boulevards" that are used minimally by automobiles. It is also being proposed, that sometime in the future, bicycle overpasses be built over Highway 101 to be used by cyclist only.

Mr. Chicerkeli stated that in the process of developing the plan he reviewed the street layout plan for housing development. The question, at the time, was whether bike lanes should be called for internal streets which directly serve Burnett School. He indicated that the developer has calmed the streets by design so that traffic will not be able to build up speed on the main route. Even without a bike lane stripe, the internal streets will be enhanced in suitability for kids to bike to school.

Mayor Kennedy opened the floor to public comments on the Bicycle Master Plan. No comments were offered.

Mr. Steinmetz provided an overview of the changes made to the Parks, Facilities, and Recreation Programming Master Plan since it was reviewed by the City Council/Parks & Recreation Commission at its December 2000 joint meeting. He also identified modifications as recommended by the Parks and Recreation Commissioner in the supplemental handout distributed to the City Council this evening.

Mayor Kennedy complimented Mr. Steinmetz, Assistant Public Works Director Struve and Recreation Manager Spier and the Parks & Recreation Commission for their time and effort put into this process and a job well done. He felt that it resulted in a well-thought out plan that incorporated community input.

Council Member Tate stated that he was not clear on the concept of the recreation center. He asked if a recreation center is being proposed in place of a senior center? Mr. Steinmetz responded that rather than constructing a separate stand-alone senior center, it is being proposed that senior activities would occur at the community recreation center. There would be designated rooms/spaces for seniors at the center but that there would not be a separate stand alone senior center. He stated that this proposal has been reviewed by the Senior Advisory Committee in which they unanimously supported the concept of a multi generational center. The concern was whether Community Park was the best location for this center.

Council Member Carr requested an explanation of the theater. Mr. Steinmetz clarified that the old church facility is to be converted into a play house. A larger theater is being proposed to accommodate larger audiences and could be used for symphonies or large musical productions where you need more seating space. Phase I of the community and cultural center will have the smaller theater. The theater included in the Parks and Recreation Master would be constructed in a later phase, pending a business plan.

Laura Hagiperos stated that the Parks and Recreation Commission felt that this is a solid plan that considers land acquisition costs and the projects needed. It mirrors the visioning process that the community went through several years ago. The Commission tried to come up with a comprehensive plan that projects where the community will be in the next 10-20 years and what facilities will be needed. The Commission tried to finish its review and recommendation of the plans to get them in line with the General Plan. The Commission worked hard to listen to everyone who showed up at the meetings and incorporated their ideas and input into the plan. She requested that the City Council accept the plans so that the process can proceed with the environmental review.

Wanda Puder addressed the inter generational center. She indicated that the Parks and Recreation Commission listened to public comments on the concept of having a separate youth center, senior center and a recreational center. As it was evaluated, it was discovered that the seniors value youth because they are teaching classes that can overlap in centers as well as the co use of many facilities. She noted that society tends to segregate its community. The Commission wanted to bring the community together, having a single center with each segment of the community having their own area with shared uses.

Mayor Kennedy opened the Parks, Facilities and Recreation Planning Master Plan to public comment.

Wayne O'Connell, addressed the following: 1) important that trails map be included in the park's document so that the development community can interface and integrate with them. Also, trailways should be identified and be coordinated along the business park and along the Butterfield channel as a trail can form a basis for the linkage to Live Oak High School and to the temporary skate

park/Caltrans. 2) He encouraged the Parks and Recreation Commission to send forth their input of priorities to the Measure P process so that it can be integrated into the criteria and scoring mechanism to help with the implementation of good programs and suggestions. 3) Regarding the San Pedro Pond, he noted that there is public support for passive parks, walking trails and being integrated into the Parks Master Plan and Open Space Element. In working with the Santa Clara Valley Water District, he felt that it is important to recognize, from the City's stand point, when you can get 40 acres of land that the city does not have pay for being as being a positive contribution toward the budget.

Teri Nelson, Executive Director for the Mt. Madonna YMCA, stated her support of the recreation facility proposed for the Community Park area. She requested that the 25-yard indoor pool be added to the plan because it would make a full facility that families can use all year round. She stated that senior citizens have expressed concern with access to the park. She said that the seniors would like to see a nutritional program be implemented at the same facility. She felt that this would be the best possible situation for seniors.

Martine Kapetanich, 1055 Appian Way, stated that she is excited about the park plan. She was pleased to see the plans, but yet disappointed. She felt that it was unfair to target the maintenance of an indoor pool. She felt that real estate will be a factor when the Council allocates funding. She recommended that land be purchased and that the uses be sited together. She requested that all aquatic facilities be treated equally and not treat the 50-meter facility as a budget drain.

John Quick read from a prepared statement and indicated that Morgan Hill has a unique opportunity with the passage of the Redevelopment Agency extension and the goals set by the community visioning process. He noted that a survey was conducted by the Parks and Recreation Commission and has served to verify the results of the visioning process. The number 1 need identified in the visioning process was the need for additional recreational facilities for all ages. He felt that the city needs to fashion an approach which will more than likely be economically defensive and that the income generating potential of each project must be considered as a key element of what facilities are built and how they relate to one another. He felt that Community Park and the current site of the Mushroom Mardi Gras is an opportunity awaiting to be exploited. It has been a historical eyesore and a public nuisance, under utilized by the public due to safety concerns and inadequate facilities. He noted that the community center and adjacent properties sit in the middle of the Redevelopment Agency zone and the town. He supported the use of the existing Community Park and adjacent empty sites as they would act as a magnet to be used by all family members. He urged Council approval of the recommendation of the Parks and Recreation Commission, including the addition of an aquatic center.

John Rick, 16360 Monterey Road, supported the Parks and Recreation Commission's recommendation that the 50-meter pool not be delayed to phase II. He noted that Morgan Hill does not have an aquatic center to call its own. There are two pools in the community that are over 30 years old that are owned and operated by the Morgan Hill Unified School District and can only be used when not in use by the School District. He understood that a concern is associated with the operation and on going maintenance. He did not see another recreation component that would bring in the hotel and restaurant dollars that a 50-meter facility would.

Lori Escobar, 1750 Almond Way, stated that she initially requested that MACSA El Toro Youth Center be part of the Parks and Facilities Master Plan. After her presentation to the Parks and Recreation Commission, it was recommended that the MACSA Youth Center be given its own category of Community Services since the Youth Center provides more than recreational services. However categorized, she requested that the Youth Center be included in the City's master plan to fund a larger facility in the first phase of the plan. She indicated that the MACSA Youth Center has been in existence for the past 14 years. The facility will be growing to include a clinic, offices for probation officers, counseling services and become a partner with other agencies for operating costs. She would like to extend services as the needs are rising in the community for individuals who are low income.

Mayor Kennedy stated that the El Toro MACSA Youth Center was viewed as a high priority for the community in the visioning process. Although it does not fit a niche in the Parks and Recreation Master Plan, it is consistent with some of the other visioning projects. He felt the City made a commitment to the El Toro MACSA Youth Center to provide facility support and felt that the City Council should adhere to this commitment.

Ms. Escobar stated that she felt that the Friendly Inn would be a great location to move into. However, she would like to have a back up plan in place should the YMCA decide not to move. At the current location, El Toro MACSA would not have further expansion capabilities. Alternative locations have been studied such as purchasing the church facility across the street. She indicated that it is important to remain in the vicinity as it is centrally located and close to public transportation.

Vickie Brummel, 520 Creekside Lane, stated that her daughters are on a competitive swimming team, commuting to San Jose. She felt that the community was in need of adequate facilities for competition teams. She requested approval of an aquatic center, in particular, the 50-meter pool.

Cindy Acevado, 17370 Hill Road, indicated that she has children who are in a competitive swim team in Morgan Hill. She stated that a 50-meter pool is needed in order to provide competitive swim meets. She felt that a 50-meter pool could be combined and divided into two 25 meter lap pools and can be used year round. She requested that the three pools identified be approved and that the City look to the swim clubs for operation and maintenance costs. She further recommended that the City Council look to the community to make this a nationally recognized swimming facility.

Lori Mains, 2724 Mira Bella Circle, stated that when she moved to Morgan Hill, she noticed a shortage in swim facilities exists and that the situation would be worse in the summer. She encouraged the City Council to proceed with full aquatic center plans.

Gino Acevado, 17370 Hill Road, requested that the city stay on course and construct a grand aquatic center. He felt that a 50-meter pool, as a focal point, would be the most used year round pool. He indicated that he is in the process of forming a masters water polo team that will be competing for pool space and time. He felt that the facility would be used by many from 5:00 a.m. into the evening hours, including middle of the day by different corporations. If designed for spectators similar to the Santa Clara pool, the facility will be similar to the soccer complex that draws tourists. He felt

that a recreational pool with a slide component would be good for cross marketing to competition/recreation swimmers.

No further comments were offered.

Mayor Pro Tempore Sellers stated that the City Council has been wanting to include a lot of the projects but that phasing schedules and locations need to be determined. He felt that it made a lot of sense to move forward with projects simultaneously and as quickly as possible. He felt that projects would be expedited if partnered with private and other resources. He was anxious about the senior center location. He said that he would like to see the City Council approve the master plan this evening, including the recommendations of the Parks and Recreation. He would also like to direct staff to begin the environmental review of the Gunderson property as the city currently does not control the property. He felt that the Gunderson site is a crucial site that the city needs to move quickly, deliberately, and simultaneously with the master plan.

Council Member Tate stated his support of the Parks & Recreation Commission recommendations, including the construction of a state of the art aquatic center. However, he has heard that in order to proceed with an aquatic center, a business plan needs to be put into place that makes sense. This is a key focus item that needs to be done in order to proceed with a 50-meter pool. He agreed that the City's sights should not be placed on the aquatic center but that it needs to be done with all uses in order to make sure that they make sense or provide the synergism to make the overall plan stronger. He was interested in doing something with the Water District at the percolation ponds as it is an opportunity to get a large acreage passive park. He would like to see a par course, jogging trails, benches, and picnic facilities developed. He felt that the city may need to spend some funds to make this work. He noted that the El Toro MACSA Youth Center has moved forward on the basis of securing funding for the capital goods and a lot of volunteer labor. He agreed that this is a social service provider in addition to recreation, but noted that so is the senior center which is a part of this plan. He stated that he would like to see the MACSA El Toro Youth Center incorporated into the Plan. He supported proceeding with the environmental work on the Gunderson property.

Council Member Carr addressed the policy sections and the amount of emphasis that is being placed on joint uses with other agencies such as the School District, the Water District and other agencies. He felt that it was smart to include joint uses not only from a financial stand point but because of the amount of property and land that is left in the area that is being addressed. He also supported partnerships with non profits. He stated that it is not the City's intent to take away recreational services from current providers. He is also a big supporter of the aquatic center and the construction of a 50-meter pool, including making sure that a business plan is put into place. He noted that the phasing plan talks about establishing a non profit foundation to solicit donations and sponsorships as one of the ways to make sure that some of these things are taking place. He indicated that at a previous Council meeting, the City Council gave direction to look at setting up some type of foundation, noting that Mayor Pro Tempore Sellers will be heading up this program as it will assist in funding gaps. He supported the trails' aspect of the plan. He noted that the General Plan Task Force addressed trails, open spaces and passive types of facilities. He felt that the trails' aspect meets all of these needs and creates ways to tie in different parts of the community that may not feel a part of the community. He supported Mayor Pro Tempore Sellers' recommendation that the City

move forward to do what is necessary to acquire the Gunderson property as it is a very important part to the process.

Mayor Kennedy felt that the City now has a plan in place and can move forward. He indicated that the City is actively looking at acquiring various parcels for these facilities and that the City will continue aggressively to acquire the land necessary to implement this plan. He felt that it was time to move forward as the facilities are desperately needed. He felt that the 50-meter pool needs to have a recreational pool with it, which may result in the need of a third pool. He felt that the City needs to keep the outdoor recreational pool in the program and prepare a business plan. The operation and maintenance cost of all of the projects are critical and that the City will be looking at this. He felt that the City needs to keep MACSA and the El Toro Youth Center at the top of the list for support and funding. He was not sure how this would be addressed at this point. He felt that the City needs to continue with its commitment to El Toro MACSA.

Mayor Pro Tempore Sellers stated his support of El Toro MACSA because it is a community-wide benefit.

Action: *On a motion by Mayor Pro Tempore Sellers and seconded by Council Member Tate, the City Council, on a 4-0 vote with Council Member Chang absent, **Directed** Staff to Make Revisions as Necessary, incorporating the Parks and Recreation Commission supplemental recommendation and support of MACSA El Toro Youth Center*

Action: *On a motion by Council Member Tate and seconded by Mayor Pro Tempore Sellers, the City Council, on a 4-0 vote with Council Member Chang absent, **Directed** Staff to Proceed to Environmental Review of Both Plans Concurrent with the General Plan Environmental Review.*

City Manager Tewes noted that the City has a recommendation from the Parks & Recreation Commission on how the Gunderson site should be used. If the City is to engage in a formal process of site acquisition, the City will need to prepare an environmental report on the Gunderson site. He inquired if it was the City Council's intention to decide that the project to be studied in the environmental review for the Gunderson site is for a community recreation center with or without an indoor pool?

Mr. Steinmetz stated that there would not be enough room to site an aquatic center and the community recreation center on the Gunderson site. He noted that the other site that is being reviewed is the Public Works Corporation Yard/School District Bus barn site. The City Council would need to use both sites if it wants to look at both facilities being located at this site. He noted that the Master Plan does not recommend an aquatic center at this site but that this is something that the City Council can look at if it so chooses.

City Manager Tewes informed the City Council that the City must acquire property based on its fair market value. He requested that the City Council direct staff to update any and all necessary appraisals for the Gunderson site.

Action: *On a motion by Council Member Sellers and seconded by Council Member Tate, the City Council, on a 4-0 vote with Council Member Chang absent, **directed** staff to prepare the environmental work for the community recreation center with the option of an indoor pool specific to the Gunderson property and **directed** staff to update any and all necessary appraisals for the Gunderson site.*

Action: *On a motion by Council Member Carr and seconded by Council Member Sellers, the City Council agreed to extend the meeting time to midnight.*

Mayor Pro Tempore Sellers requested that item 14 be continued as new information has been raised recently, noting that he has discussed the continuance of this item with those in attendance this evening.

City Manager Tewes recommended that Chief of Police Schwab be allowed to present the staff report and his recommendation to get the issues on the record and to provide an opportunity at a subsequent meeting for the City Council and the public to address said recommendations.

Action: *It was the consensus of the City Council to consider agenda item 14 at this time.*

14. ANIMAL CONTROL PROPOSALS

Chief of Police Schwab presented the staff report and indicated that the Pet Over Population Committee (POPC), a county-wide committee comprised of various representatives from various cities, Humane Society and various pet advocacy groups, have developed recommendations for city ordinances that would encourage responsible pet ownership and an attempt to reduce the number of animals that are sheltered every year. He has reviewed the proposed ordinance proposals and has provided comments to the POPC on how the City felt that they would apply to Morgan Hill. Staff requested the Committee consider some suggestions that it had. The Committee preferred that the proposal be presented to each city and that the City Council provide direction based on this proposal. He felt that there were significant policy issues at stake and requested Council direction at a future meeting. He noted that a lot of proposals are mute unless the City looks at increasing some basic animal control services not currently being provided.

Mayor Kennedy opened the floor to public comment. No comments were offered.

Actions: *On a motion by Mayor Pro Tempore Sellers and seconded by Council Member Tate, the City Council, on a 4-0 vote with Council Member Chang absent: 1) **Received** the report and 2) **Continued** this item to February 7, 2001.*

13. REVIEW OF THE DRAFT ENVIRONMENTAL IMPACT REPORT (EIR) FOR THE US 101 WIDENING PROJECT

Director of Community Development Bischoff presented the staff report. Mayor Kennedy opened the floor to public comment. No comments were offered.

Action: *On a motion by Council Member Carr and seconded by Mayor Pro Tempore Sellers, the City Council, on a 4-0 vote with Council Member Chang absent, **Authorized** the Mayor to Sign the Letter to the Santa Clara Valley Transportation Agency Acknowledging Receipt of the Draft EIR and Expressing the City's Support for Project Alternative 2, the Eight Lane Project.*

SECOND READING OF ORDINANCE:

Action: *On a motion by Mayor Pro Tempore Sellers and seconded by Council Member Tate, the City Council **adopted** the following ordinance as follows:*

15. ADOPT ORDINANCE NO. 1496, NEW SERIES

An Ordinance of The City Council of The City of Morgan Hill Approving a Development Agreement with Morgan Hill Development Partners, LLP for the Morgan Hill Ranch Business Park by the following roll call vote: AYES: Carr, Kennedy, Sellers, Tate; NOES: None; ABSTAIN: None; ABSENT: Chang.

16. ADOPT ORDINANCE NO. 1497, NEW SERIES

An Ordinance of The City Council of The City of Morgan Hill Approving a Development Agreement with TBI - Mission West, LLC for the Madrone Business Park by the following roll call vote: AYES: Carr, Kennedy, Sellers, Tate; NOES: None; ABSTAIN: None; ABSENT: Chang.

City Council & Redevelopment Agency Action

CONSENT CALENDAR:

Action: *On a motion by Council/Agency Member Tate and seconded by Council/Agency Member Sellers, the City Council/Agency Commission, on a 4-0 vote with Council/Agency Member Chang absent, **approved** Consent Calendar Item 17 as follows:*

17. JOINT SPECIAL CITY COUNCIL AND REDEVELOPMENT AGENCY MEETING MINUTES OF JANUARY 10, 2001

Action: **Approved** the minutes as written.

CLOSED SESSION:

City Attorney/Agency Counsel Leichter announced the following closed session items:

1.

CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION

Legal Authority:	Government Code 54956.8 & 54956.9(c) (1 potential case)
Real Property(ies) involved:	APN 728-31-007 & 008; 25.50 acres located on the southwesterly side of Road (St. Louise Hospital property)

City Negotiators: Agency Members; Executive Director; Agency Counsel; and F. Gale
Conner, special counsel
Closed Session Topic: Potential Litigation

2.

**CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION & CONFERENCE WITH
REAL PROPERTY NEGOTIATOR**

Legal Authority: Government Code Section 54956.8 & 54956.9(c)
Property: APN 825-06-002, 003, 029, 030; 36.6 acres (Railroad/Maple - Butterfield
Retention Basin Site)

Negotiating Parties:
For Property Owners: Costa Family Partners
For City: Director of Public Works; F. Gale Connor; City Manager, City Attorney
Under Negotiation: Price and Terms of Payment

OPPORTUNITY FOR PUBLIC COMMENT

Mayor/Chairman Kennedy opened the closed session items to public comment. No comments were offered.

ADJOURN TO CLOSED SESSION:

Mayor/Chairman Kennedy adjourned the meeting to closed session at 11:32 p.m.

RECONVENE:

Mayor/Chairman Kennedy reconvened the meeting at 12:55 a.m.

CLOSED SESSION ANNOUNCEMENT:

City Attorney/Agency Counsel Leichter announced that no reportable action was taken on the above listed closed session items.

FUTURE COUNCIL-INITIATED AGENDA ITEMS:

No items were noted.

ADJOURNMENT

There being no further business, Mayor/Chairman Kennedy adjourned the meeting at 12:56 a.m.

MINUTES RECORDED AND PREPARED BY:

Irma Torrez, City Clerk